GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:859
ANSWERED ON:23.11.2000
SUGGESTIONS MADE BY NCAER FOR FUNCTIONING OF CIVIL AVIATION
SUBODH MOHITE

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the suggestions made by the National Council for Applied Economic Research (NCAER) for the future functioning of civil aviation in the country; and

(b) the reaction of the Government thereto?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a):- The major policy initiatives recommended by the NCAER in its study report `The Future of Civil Aviation in India` are as follows:-
(i) Easing of entry into Tier I and II services i.e. major / regional centres for private airline operators;
(ii) Free entry into Tier III services i.e. remote centres for small aircraft/helicopters;
(iii) Conditional equity participation of foreign airlines in domestic service providers;
(iv) Liberal private entry into support services;
(v) Private (including foreign) participation in major airports
(vi) Monopoly regulation / licensing of airports;
(vii) Formulation / rationalisation of rules, regulations and practises and
(viii) Restructuring of regulatory mechanism.

(b):- The Government is formulating a comprehensive Civil Aviation Policy covering all sectors in the field of Civil Aviation. The draft policy lays emphasis on increased private sector participation. The policy also envisages setting up of an Economic Regulatory Authority to oversee financial practices of the airports and various service providers.

The privatisation process has already been initiated by way of disinvestment of Government held equity in Air India and Indian Airlines. Leasing of Delhi, Mumbai, Chennai and Calcutta Airports to private investors on long term basis is another step in the direction of greater private sector participation.